



November 16, 2021

Waterwood Townhomes Homeowners Association:

In 2020, the Waterwood Townhomes HOA elected its first board of directors in 10 years. Little did any of us know that 2021 would be a truly unique year full of challenges that none of us could have foreseen. Among other things, this newly formed board saw us through the ice storm and subsequent hailstorm that did major damage to the entire complex. Thankfully, after tirelessly working with insurance adjusters and contractors we have new roofs, new gutters, and repaired lighting at a minimal cost to Waterwood's HOA.

Waterwood's HOA has been able to maintain the property and keep the necessary levels of insurance with the dues that were established when the property was new in 2003. Unfortunately, we have come to the point when we cannot continue to maintain the property with the current dues structure. Construction costs nationwide have gone up 20% in a very short period of time. This has affected insurance rates. After doing its due diligence and pricing insurance in the open market, the board concluded that our current carrier, Farmers, has remained the best carrier for Waterwood. However, insurance for 2022 will be approximately \$20,440 more than it was in 2021. Additionally, as labor and all service provider costs have increased, the HOA has been putting less and less into the reserve account in order to meet its monthly budgeted expenses. At a minimum, our reserve account (this is the account that is used for capital improvements over and above budgeted expenses) should be funded at 10% of our total annual revenue. Right now, it is only 4%. This is a dangerous trend since the value of the HOA Reserve Account is important to our ability to be deemed healthy by mortgage companies as they consider loans for refinancing or for new buyer mortgages.

Attached to this letter is our proposed budget for 2022. If dues remain unchanged, we will have a shortfall in our budget. This cannot happen. We are proposing that beginning January 1, 2022, dues will be increased for the first time in 19 years to \$150 per month. This increase will allow us to meet our budgeted expenses and begin to restore our reserve (capital improvement) account.

On November 13, 2021, in accordance with section 6.2 of the Bylaws, the board voted to adopt the budget that is attached for 2022. We will have another Waterwood HOA Special Owner's Meeting on **Saturday, December 4, 2021, at 11 a.m.** at the offices of Equity Real Estate, 110 Navarro Dr., Suite 200, College Station, Texas 77845 to discuss and to vote to ratify this budget. This meeting will be in-person only. If you are unable to attend, you may use the attached proxy to name another person to vote on your behalf. Instructions for submitting the proxy are outlined on the proxy form.

Thank you for your trust. Our goal is to protect all the owners' investments and keep the property values in Waterwood strong.

Sincerely,

Board of Directors, Waterwood Townhomes, A Condominium Homeowners Association, Inc.  
LeAnn Davis, Director, Lynn Cagle, Secretary, and Marianne Kennedy, Treasurer



Equity Real Estate & Company | 110 Navarro Drive, Suite 200, College Station, TX 77845  
hoa@equitybcs.com | (979) 696-4464



**PROXY FORM**

I (we) \_\_\_\_\_ being a Member of the Waterwood Townhomes Homeowners Association with \_\_\_\_\_ vote(s) (one vote per unit owned) do not plan on attending the December 4, 2021 Special Meeting of the Waterwood HOA and hereby appoint the following to vote on my (our) behalf:

*Note: All assigned proxies for members in good standing; the designated representative must be present to cast the proxy vote. If you decide to attend the meeting your proxy will be returned to you at the meeting.*

If you can't make the meeting, please give your proxy vote to a Current Board member to vote on your behalf.

Please mark the person to whom you are granting your proxy.

Lynn Cagle or  LeAnn Davis or  Marianne Kennedy or

Your designated representative attending the meeting \_\_\_\_\_

By granting this proxy, I/we hereby agree to allow the person listed above to cast all votes on my/our behalf. I understand that the person listed above must vote by paper ballot.

\_\_\_\_\_  
Printed Name of Member Granting Proxy

\_\_\_\_\_  
Waterwood Unit number(s)

\_\_\_\_\_  
Signature of Member Granting Proxy

\_\_\_\_\_  
Date

\_\_\_\_\_  
Mailing address of Member Granting Proxy

\_\_\_\_\_  
City, State & Zip Code

\_\_\_\_\_  
Email address of Member Granting Proxy

\_\_\_\_\_  
Phone # of Member Granting Proxy

This proxy power is valid only for issues to be voted upon at the **December 4, 2021**, Special Meeting of the Waterwood HOA. These issues include the vote to ratify the 2022 Budget. Your proxy must be received by **5:00 pm on Friday, December 3, 2021**. Please send in your proxy, even if you plan to attend the meeting. If you attend in person, your proxy will be returned to you at the meeting. You may send your proxy via email to **hoa@equitybcs.com**, Fax **(979) 696-0234**, mail or drop it off at the office of Equity Real Estate, 110 Navarro Dr., Suite 200, College Station, TX 77845.





## Committee Volunteer Form

Additionally, there are multiple projects that were put on hold when the roof issue arose. We are hoping that many of you will volunteer to serve or continue to serve on committees to research and advise the board on the direction that we need to go on these. These projects include:

- Landscaping
- Gates
- Painting

We had committees in place last year for each of these projects, however the roof needed to take precedence and all the quotes we received have expired.

Your input is needed! Many of us serve from long-distance via Zoom. This is your property, and your input is valued.

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Name \_\_\_\_\_ Committee \_\_\_\_\_

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Unit # \_\_\_\_\_ Phone \_\_\_\_\_

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Email \_\_\_\_\_

*Return with your proxy or reach out to the board at [wwhoaboard.cs@gmail.com](mailto:wwhoaboard.cs@gmail.com).*



WATERWOOD TOWNHOMES HOA  
**"PROPOSED" 2022 BUDGET**

<u>INCOME</u>	<u>2022 BUDGET</u>
HOMEOWNER'S DUES	\$306,000.00 (170 units x \$150/mo) (\$25,500/mo)
PRE-PAID DUES	\$0.00
LATE FEES	\$1,500.00
<u>OTHER INCOME</u>	
REMOTE SALES	\$0.00
OWNER CHARGES / FINES	\$0.00
CAPITAL CONTRIBUTIONS/TITLE CO	\$1,600.00
	\$309,100.00

<u>EXPENSE</u>	
Security Equipment	\$5,000.00
Security / Patrol Services	\$5,000.00
Maintenance - Labor	\$5,000.00
Maintenance - Material	\$2,050.00
Electrician	\$2,500.00
Extermination	\$2,000.00
Insurance	\$97,439.00
Lawn Care	\$42,000.00
Tree Trimming	\$1,000.00
Property/Landscape Improvements	\$20,000.00
Management	\$20,400.00
Utilities	\$18,000.00
Pool - Repairs	\$5,000.00
Pool - Material	\$2,000.00
Pool - Labor	\$8,000.00
Accounting	\$175.00
Fence - Repairs	\$5,000.00
Pond Maintenance	\$3,000.00
Misc. Expense	\$7,000.00
Sprinkler System	\$3,000.00
Trash Removal	\$3,000.00
Bathroom Cleaning	\$1,620.00
Telephone	\$4,000.00
Website	\$250.00
Postage	\$400.00
Money to Reserve Account	\$30,600.00 (10% of dues income)
TOTAL EXPENSE	\$293,434.00
year end carry-over	\$15,666.00